

*The Budget—Mr. Rynard*

period 1963-65 over 100,000 people crossed the border. Among them were 850 physicians and surgeons. The minister can check these figures. We will be building new schools this fall and enlarging our present medical schools to take in 400 to 500 new medical students who are needed because of the new plans the government has in respect of medicare and so on. Yet we exported 850 physicians and surgeons in that period.

I am not blaming the minister but I would say to him, for goodness sake close this loophole, because we cannot go on giving to the most powerful nation in the world this amount of wealth and brains every year. He knows how it can be done. This can be done in the field of research so that the people who are trained and who wish to go into research will have an opportunity to do this work. It is not good enough to contribute to only 50 per cent of research projects which have been tried and passed by the board as research projects and leave out the other 50 per cent. The people who otherwise would be carrying on those projects go south of the border and find projects there.

If our young men and women who are coming out of our universities do not find the incentive in this country, they are going to go south of the border. They can simply walk across and pick up a salary one-third higher. I am sure the minister knows this just as well as I do. Therefore I am disappointed that something has not been done about it. Yes, the brain drain has been worse under this government than at any other time in history. From June, 1963 to June, 1965, as I said before, 100,000 Canadians crossed the border into the United States. Included among them were 1,765 engineers. I am sure the minister feels just as badly about this as I do. There were 1,187 technicians, 163 industrial designers, 258 university professors, 850 physicians and surgeons, 725 accountants and auditors, 2,040 trained nurses—and we are building schools to train them—and 2,610 managerial officials and proprietors. This is fatal in an underpopulated country such as Canada and we simply cannot afford it. We cannot prevent these young people going south of the border, but we certainly can do something to provide them with more incentive to remain here. We can improve their situation by making appropriate changes in the personal income tax.

What have you done, Mr. Minister, to see that more of these young people remain in Canada? I am worried about this exportation

of brains and people. We are short of capital and, Mr. Speaker, I only have to remind the minister of the words of Mr. Rasminsky, governor of the Bank of Canada, when he said:

Any situation in which Canada needs to import a great deal of capital from a country which is trying to restrict the export of capital is inherently unsatisfactory.

Those are the words of the head of the Bank of Canada. This, Mr. Minister, is the position in which the government finds itself—short of money and exporting brains and people to a country where already 45 per cent of the labour force has four years of high school compared with 24 per cent in this country, where 11 per cent of their labour force has completed university compared with 5 per cent in our case. We become poorer by the minute because of the way we are handling our affairs.

Now, Mr. Speaker, I wish for a moment to deal with the matter of medical research. I am disappointed that nothing has been said or done about this. More medical research would improve medical care and in turn improve national productivity. Related fields—biochemistry, genetics, chemical control of viruses—all would have a tremendous impact on the veterinary field and on agriculture in general.

I should like to turn for a moment to the 11 per cent sales tax on drugs. It has been said over and over again that this is going to be looked into. Surely to goodness it does not need any looking into to remove the sales tax on drugs which are used by sick people. It is a great disappointment to me that the government has not seen fit to remove the 11 per cent sales tax on drugs and therapeutic items. Over the years in this house I have urged the repeal of this iniquitous tax, a tax on sickness, and a tax on people at a time when they are least able to carry it. I wonder whether the minister knows just how much is involved in this tax on drugs. I am going to tell him. He taxes the sick people in this country almost \$12 million on drugs.

The minister knows that a great deal of the sickness is suffered by the people in the older age group, many of whom are on the old age pension. I know the minister knows as well as I do that 70 per cent of all the women in Canada over age 70 have nothing but the old age pension to live on. This is iniquitous and is not good enough. I cannot understand it. I know the Minister of Finance is a very nice person, but I cannot understand why in the